

Document Page 1 of 1
**IN THE UNITED STATES BANKRUPTCY COURT
 FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

FILED
 12/2/20 1:36 pm
 CLERK
 U.S. BANKRUPTCY
 COURT - WDPA

In re: : Case No.: 18-21164-GLT
 : Chapter: 13
 Julie Kay Norman-Stark :
 Sheri Lynn Stark :
 :
 : Date: 12/2/2020
 Debtor(s). : Time: 10:30

PROCEEDING MEMO

MATTER: # 113 Amended Motion to Dismiss Case
 # 117 - Response filed by the ch.13 trustee

APPEARANCES:

Debtor: Max C. Feldman
 Trustee: James Warmbrodt

NOTES: (10:47)

Feldman: This petition was filed back in 2018. The plan was finally confirmed in January 2019. The parties have separated and are going to be divorcing. At this point, they don't have the collective income to proceed. I have reviewed the response, and our position would be that the plan provided for a 0% distribution to unsecured creditors and we'd ask the remaining funds be remitted to the debtors. There are two car loans outstanding. With regards to making payments, we'd ask the payment be made to the debtors and allow them to deal with those vehicles.

Court: What's the origin of the these funds? Is is from the sale of assets or postpetition earnings?

Feldman: Part of it comes from the proceeds of the sale order and the remainder seems to be undistributed funds

Warmbrodt: I believe Attny Feldman is correct. From the property sale \$15,000 went to the debtors as an exemption and \$5,000 came into the plan. The rest of the balance is \$22,322.43. This amount would have been earmarked to pay lien holders on the property that was sold.

Feldman: The plan payments have been being paid at the full amount since August. And I want to tell the Court that the mortgage payments are being made.

Court: What's the trustee's position re: administering these funds?

Warmbrodt: Although it's estimated as a 0% distribution, this is a pot plan, and as such the amounts that are available to unsecured creditors can vary depending on circumstances. The plan doesn't set a minimum or maximum, it would be equitable to distribute to the unsecured creditors because of how long the debtors have had the protection of bankruptcy.

Court: Is there any allegation of bad faith?

Warmbrodt: No.

Court: You're asking the Court to find cause under section 349(b) to deviate because the 0% amount was just an estimate and because of the two years during which they had protection under the code?

Warmbrodt: That's correct.

Feldman: I have nothing further.

OUTCOME:

1. Debtor's *Motion to Dismiss Case* [Dkt. No. 113] is taken under advisement. [Chambers to Issue]

DATED: 12/2/2020